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When California Cities Blur the Line Between Tax Education and Tax Advocacy.

After Stanton residents voted to increase their own sales tax in 2016, the city's finance director crowed to his fellow municipal finance directors about his city's successful campaign. According to his article, the only thing that "went wrong" was that Stanton "didn't suppress the opposition with one-on-one meetings early."

Cities throughout our state have been using Orwellian tactics to "suppress" opposition to tax increases through coordinated and premeditated "education campaigns." These campaigns operate in a grey legal area because each campaign uses public resources to accomplish its goals.

The California Supreme Court in *Stanson v. Mott* stated resolutely that "a fundamental precept of this nation's democratic electoral process is that the government may not 'take sides' in election contests or bestow an unfair advantage on one of several competing factions." The Supreme Court in *Vargas v. City of Salinas* then created its own grey area exception by allowing governmental entities to express publicly an opinion on the merits of a ballot measure so long as the governmental entity "does not expend public funds to mount a campaign on the measure."

Cities undeterred by the *Stanson* prohibition or blinded by their own fiscal desperation of their own making have driven Mack trucks through the *Vargas* limited exception. Cities throughout our state are hiring political campaign consultants or public relations firms to "educate" the public on the cities' opinion. At what point, though, do campaigns move from education to advocacy?

In 2010, for example, the city of Tracy hired political campaign consultant Lew Edwards in connection with a sales tax increase. According to the consultant's presentation, the consultant conducted a poll to determine "campaign messaging," draft the "ballot arguments," and create the "ballot question wording." The city then sent "education materials" to voters through broadcast television and city-created newsletters, presentations, emails, and even sent the materials through utility bill inserts.

Campaign consultants respond to cities' requests for proposal by touting their "wins" or "successes," which they define by whether a tax measure passes. One consultant bragged that it has "enacted more than \$30 billion in California revenue measures with a success rate of 94 percent." Another consultant bragged that its "competitive strength" is that "we WIN." Where the objective is supposedly public education, though, winning and losing or success and failure cannot be measured by ballot box results.

Enough is enough. Cities must stop using tax dollars to advocate under the thinly veiled guise of education.

The city of Newport Beach recently passed a resolution prohibiting public expenditure on these "education" campaigns. We invite other city leaders to use our resolution as a model. We also invite residents throughout the state to demand that their leaders stop hiring campaign consultants who view tax increases as "wins."

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By WILL O'NEILL | March 19, 2018

Will O'Neill is mayor pro tem of the City of Newport Beach. He will gladly provide anyone a copy of the city's Resolution and can be contacted at woneill@newportbeachca.gov.

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